International prices of crude oil and petroleum products have remained volatile in the recent past. The Indian Basket of crude oil, which averaged $79.25/bbl during 2007-08, had gone up to an unprecedented level of $142.04/bbl on 3rd July, 2008 before declining sharply due to fall in demand on account of economic recession in the major oil consuming countries of the world. The Indian Basket of crude oil which averaged $129.72/bbl/ in June, 2008 has come down to $ 44.41/bbl in February, 2009 (up to 16th Feb'09). The trend of Indian Basket of crude oil is given as under:

Month	$/bbl	Month	$/bbl
April'08	105.77	October'08	69.12
May'08	120.91	Novermber'08	50.91
June'08	129.72	December'08	40.61
July'08	132.47	January'09	43.99
August'08	113.05	February'09	44.41
September'08	96.81	Average 2008-09 (up to 16th Feb'09)	89.06

India imports around 80% of its crude oil requirements and hence, the trend of oil prices in the international market has a decisive influence on the costs/ prices of petroleum products in the domestic market.

In view of recent decline in the international oil prices, the Government has reduced the Retail Selling Prices of the sensitive petroleum products on two occasions as indicated below (at Delhi), with corresponding reductions in the rest of the country:

- Effective from 6.12.2008 - Petrol by Rs.5/- per litre and Diesel by Rs.2/- per litre; and
- Effective from 29.1.2009 - Petrol by Rs.5/- per litre, Diesel by Rs.2/- per litre and Domestic LPG by Rs.25/- per cylinder.

Commitments of ONGC abroad

786. SHRI RAJEEV SHUKLA:
DR. T. SUBBARAMI REDDY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Nigeria has urged Oil and Natural Gas Corporation Ltd. (ONGC) to honour promises to fulfil its 6 billion dollor commitment of investment in infrastructure of the African nation as part of the deal by which it was awarded an oil block in November, 2006;

(b) is so, whether ONGC has agreed to implement the promise made to Nigeria in this regard;

(c) whether Nigeria has also invited Reliance Industries Ltd (RIL), Gas Authority of India Ltd. (GAIL) to set up petro-chemical plant; and

(d) if so, to what extent India has agreed to help and assist both Nigeria and Qatar setting up petroleum plants which will benefit India by obtaining oil from these countries?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) No, Sir. Oil & Natural Gas Corporation Limited (ONGC) has no agreement with Nigerian Authorities. However, a Memorandum of Understanding (MOU) was entered between ONGC Mittal Energy Ltd. (OMEL) (a Joint Venture of ONGC Videsh Ltd (OVL). and Mittal Investments Sari) and the Ministry of Petroleum Resources of the Federal Republic of Nigeria which envisages an investment of US$6 billion in Nigeria on infrastructure Projects, prorated according to average production realized by OMEL from the two blocks it has been awarded in Nigeria.

(c) and (d) GAIL (India) Limited (GAIL) has not received any formal invitation from Government of Nigeria for setting up Petro Chemical Plant. In so far as Reliance Industries Limited (RIL) is concerned, this Ministry has no information. Setting up of petroleum plants depends on commercial consideration techno-economic feasibility studies carried out by companies.

Decline in price of petrol and diesel

787. SHRI MOHD. ALI KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the steps being taken to decrease price of petrol and diesel related items according to decline in international prices; and

(b) the steps taken to benefit the same to customers especially kerosene?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) In view of the recent decline in the international oil prices, the Government has already reduced the Retail Selling Prices (RSPs) of the sensitive petroleum products on two occasions as indicated below (at Delhi), with corresponding reductions in the rest of the country:

- Effective from 6.12.2008 - Petrol by Rs.5/- per litre and Diesel by Rs.2/- per litre; and
- Effective from 29.1.2009 - Petrol by Rs.5/- per litre, Diesel by Rs.2/- per litre and Domestic LPG by Rs.25/- per cylinder.

(b) As Kerosene is used by the common man for cooking and lighting purposes, the retail sale price of PDS Kerosene has not been increased since March 2002, in spite of the increasing under-recoveries incurred by the Public Sector Oil Marketing Companies on the sale of PDS Kerosene.